

the recommendation from the President has simply been that we raise the caps of an existing program within the existing farm bill; that, in fact, the initiative would not involve any significant change in the farm bill, certainly no more so than accelerating or increasing half the payments. Will the Senator share a view on that?

Mr. DORGAN. The Senator from South Dakota is absolutely correct. The farm bill that Congress passed said we would provide a support price equal to 85 percent of the five-year Olympic average of the average price of this grain. Then they put an artificial budget restraint on it even though they promised that formula. Once again, the big print giveth and the little print taketh away. Despite the promise, they put an artificial cap on it. That means our support prices don't work. The promise doesn't offer real help and it doesn't offer protection.

What we have proposed—and the President and others have proposed—is to get rid of the artificial cap and to give them what the big print said they would give them and stop this taking away with the little print. That is all this proposal is about.

Mr. JOHNSON. If I may follow up on that, the Senator from North Dakota has been one of this body's leaders relative to budget responsibility, fiscal responsibility, and the overall effort that we have gone about in bringing the annual Federal budget deficit from \$292 billion only 6 years ago to at least a unified budget surplus this year. I think the Senator from North Dakota was deeply involved in the crafting of the legislation that set up the framework that allowed us to bring this country to the current point of much greater fiscal responsibility.

But it is my understanding, in the context of that debate and setting up the pay-as-you-go budget mechanisms that were established in the early 1990s, which have been so successful, that one of the underlying premises and understanding of that legislation was that there would be from time to time emergency needs that would be met with the request from the President with the concurrence of the Congress, and that it is not inconsistent with the underlying legislation and the progress that we have made towards reducing the deficit. So long as we use care to denominate emergencies as only things which are truly emergencies and are reasonably not foreseeable by either the White House or by the Congress, the funding of these emergency needs is not inconsistent with the effort we have made to reduce the deficit and to maintain the discipline of the 1990 and 1993 budget agreements.

Is that the Senator's recollection relative to the context of this emergency budget request?

Mr. DORGAN. Yes. The Senator from South Dakota is, of course, correct. Emergency needs have always been anticipated and expected in the budget

process. When emergency needs are requested, I am someone who will always vote to fund those emergency needs. It is not outside of the scope of what we decided to do when we decided to try to get this country's fiscal house in order. The Senator is correct about that.

I don't understand why some continue to insist that the funding doesn't exist for this emergency need. Of course, it does. Of course, it is a need.

Let me say to the Senator from Virginia, when I said he is here for serious business, that the implication was not that this isn't. This is the most serious business for me in this Congress. I know the Senator from Virginia is involved in defense and a range of other issues that are also very serious for this country. I very much appreciate his service and the service of the Senator from Arizona.

The Senator from South Dakota, Senator JOHNSON, of course, is from a farm State, just like mine, that is suffering the same kinds of problems. It is devastating. This crisis is really devastating to not just the economy of the State but to the families who tonight will go to bed not knowing whether they are going to be able to hang on to their family farm. That is the dilemma here, and it is something we have to face.

Mr. WARNER. Mr. President, the RECORD will reflect that when the Senator made his comment, this Senator said no, I respect him, it is serious business, and then reflected on how ably the Senator has represented his constituents during this crisis.

Mr. KYL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Ms. COLLINS). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. INHOFE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INHOFE. I ask unanimous consent to speak out of order for such time as I may consume.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INHOFE. I thank the Chair.

#### 1999 DEFENSE APPROPRIATIONS

Mr. INHOFE. Madam President, we had a very significant meeting yesterday of the Senate Armed Services Committee, which was a culmination of months and months of work on behalf of many of us trying to explain to the American people the very threatened situation that our country is in, and I am very proud that we had a meeting that I will describe to you in the next few minutes which, I think, is going to actually change America's approach to our defense system. I think it is very appropriate to talk about this now because I also would be speaking in favor of the Strom Thurmond National Defense Authorization Act for fiscal year 1999.

I think it is important for us to understand the deplorable condition of our defense system. We have for 14 consecutive years, counting this year, actually had a decline in defense spending. It has dropped and it has dropped and it has dropped. I have to hasten to say this also transcends politics. It has been in Republican administrations and Democrat administrations. Of course, during the administration of President Clinton it has been worse than it has been before. We are now at the lowest level in procurement since 1960. This was attested to yesterday by General Reimer, Dennis Reimer, the commander of the Army.

Our military now is smaller than it was in the 1930s and is on more missions than we went on during the Vietnam war. Our Army deployments have tripled, the Air Force deployments have quintupled, if there is such a word, and the Navy ships in the Persian Gulf have reached one of the lowest states of readiness in 5 years. We have Navy aircraft crashes. They are called class A mishaps. They have doubled this year, the highest in 5 years, and CNO Adm. Jay Johnson has attributed this to a lack of spare parts.

As I go around to the various military installations, I see that we don't have spare parts, that we are cannibalizing perfectly good aircraft to get spare parts to keep other ones running.

The Navy was 7,000 short in their recruits this year—7,000. That means we don't have enough sailors to go out and man the ships necessary to meet the minimum expectations of the American people. The pilots are leaving the Air Force in droves. Right now, our pilot retention has dropped below 20 percent. Madam President, it costs \$6 million to put a pilot in the seat of an F-16, and yet we are down now to a 20-percent retention.

What does this mean? It means that it costs almost 100 times as much to go out and retrain someone as to retain someone who is already there. What is the reason for this?

I spent most of the August recess, Madam President, going around to the various military installations in my plane. In fact, I was taking journalists with me so they would start writing about this deplorable situation that we find our military in right now. I know one of the individuals who went with me in my plane is Roland Evans, of Evans and Novak, and we made a lot of visits to various installations on very, very short notice. In one of the installations, we had over 20 pilots in one room. I said, "Why is it you are down to 20 percent? How many of you in here, after this tour of duty, are going to come back in and continue your careers flying for the Air Force or the Navy?" About 20 percent are going to do it. It is actually a little below that now in the Navy.

I said, "What's the reason for it?" They started out with the fact that we have starved the budgets for the military to the extent that they don't have

adequate spare parts, and those kids who are out there, the mechanics who are putting these engines back into condition, flying condition, are using spare parts that were cannibalized out of another engine, maybe a new engine, and the end result of that is they are not sure of the work quality of these individuals since they have been up and they are working sometimes—we ran into some situations where they are working 16, 18 hours a day. I ask you, Madam President, would you feel very secure about flying an aircraft that has been maintained by someone who has been on his 18th hour that day? It is a very difficult thing. These young people are willing to do it.

Then after they talked about that, they talked about—Wait a minute, it is not just that; we were hired and recruited to have a career in flying and defending America. We want combat skills. As a result of the deployments to places like Bosnia where we don't have any national security interests, these people are not able to continue their training. Out at Nellis Air Force Base in the Mojave Desert where they are supposed to have the red flag exercises—these are beautiful exercises that allow fighter pilots to go in and train under actual combat conditions, or nearly actual combat conditions, and they are not able to do it. They have cut down the number of training flights, because when they come back from the long deployments to places like Bosnia and other places where we don't have any national security interests, instead of being with their families, they try to get training in, and there isn't time when they are back home. Consequently, we are having them leave by droves.

Now, I used the example, of course, of pilots because there seems to be more interest in them. It is easier for people to understand that if you have a \$6 million investment in a man or woman to fly a vehicle and they go off and start working for the airlines and yet they really wanted to stay and defend America, you have to examine why is this. It is money, it is the contingency operations and it is a lack of mission. I have heard that so much from these people, saying, well, we no longer know what the mission is of this country. We are in places where we are not able to use our combat skills. The marine pilots, they are flying helicopters that were used by their fathers in Vietnam.

We hear about the MTWs. Sometimes we stand on the Senate floor and we start talking in the language that a lot of people don't understand because they don't know what an MTW is. That is a major theater war. There is an expectation out around the United States that America's military is able to defend America on two regional fronts, and this is not our situation today, as came out in the hearing that we had yesterday. I think the people in Oklahoma are aware of this because I commute, I go back every weekend, and I have town meetings. They are fully

aware of the condition of our military. I was recently in Chelsea, OK, the home of Will Rogers, and over at the Port of Catoosa, places where they would otherwise have to depend on what they are reading of something that is coming out of the Washington media market so they wouldn't really be in a position to understand how deplorable this situation is.

As far as the two major theater wars, we are not able to do that today. If you ask the Chairman of the Joint Chiefs of Staff and you ask the various chiefs, they will say: Yes, we can do two nearly simultaneous major theater wars. But then you ask them, what is the risk factor? The "risk factor" is a term that is used in saying: Yes, you are prepared to do this, but if you do this, No. 1, how long will it take? No. 2, how many soldiers will be wounded or killed?

In asking them yesterday what the risk factor is of two major theater wars, they said it is medium for the first one and high for the second. We need to have the risk factor low, because we are now quantifying as to how many American lives will be affected should we find ourselves in a situation where we have two major theater wars. It comes to something like 16,000 additional Americans will be wounded because of this high-risk factor.

One might wonder why there is a high risk factor. Right now we know, if you have been reading the newspapers, Madam President, that we have very serious problems in places like Iraq. I don't think there is anyone with a background in the military who will tell you if a crisis exists, as it does now, if we have to go into Iraq, that it can all be done from the air. It cannot all be done by air. You have to follow up with ground forces.

If you go over to the 21st TACOM in Germany—that is where they handle all the logistics in that theater, which includes Bosnia, Iraq, and the entire Middle East. What would we do if we had to support a ground effort in Iraq when we are now at over 100 percent just taking care of the needs of Bosnia?

I know that is a shock to a lot of people when they realize that going into Bosnia, taking all the stuff down there to support the troops that we have there and that our NATO allies have there, and fulfilling the commitment we made to them—which we never should have made—is using up 100 percent of the capacity of the 21st TACOM.

That means, in the event we had to go into the Middle East, like Iraq or Iran or Libya or any other place, we would have to be dependent 100 percent on the Guard and Reserve.

What has happened to the Guard and Reserve? Because of underfunding and deployments to all these different places like Bosnia, in Oklahoma we are deploying our Guard and Reserve for up to 270 days. How many people are in an occupation where they can be let go for 270 days?

We have our occupation specialties, our MOSs, that we don't have. We don't have doctors going over there now. If we were forced to support a ground operation in Iraq, we could not do it with our Guard and Reserve. That is how desperate the situation is.

We covered something else yesterday—I wish the hearing that took place yesterday had happened maybe a month before; then we would have been able to do a better job with the defense authorization bill which we are, hopefully, about to pass in a short period of time—and that is, we brought to the surface the realization that, in addition to the problems I have outlined, we have a backlog of real property maintenance—these are things that have to be done to maintain our property to house our soldiers around the world—of \$38 billion. This is \$38 billion that will have to be spent sometime, and we have no preparation for that at all.

We have a shortfall of \$1 billion in BASOPS. Those are things that have to be paid for today. We are talking about garbage collection, water bills, and this type of thing. We do not have that kind of money. General Tilleli, who is in charge of some 37,000 troops in South Korea right now, said just the other day:

They will not be able to fully support sustained operations due to overdue infrastructure repairs.

This is a direct quote:

Strategic airlift will be affected, regardless of one or two MTWs, unless the en route infrastructure in Alaska, Hawaii and Guam receive adequate funding.

Which they are not right now.

Presently these three locations require infrastructure repairs on their fuel handling, fuel shortage and material handling equipment.

On a recent trip to Fort Bragg, one of the most necessary of all installations, they have barracks that are leaking. The roofs are leaking like sieves. We were there right after a very hard rain. Not only was it leaking to where our troops were in the water at the time, but also it was going down into the basement where they have the armory, where the weapons are being stored. They are corroding and rusting, and our troops are spending their time in a high OPTEMPO or PERSTEMPO rate during the hours they have to work in order to keep them for use for training purposes.

At Camp Lejeune—it might surprise you, Madam President, even Marines have to have a decent quality of life or at least have to know something good is going to happen—they have the CH-46. That is a type of helicopter they have been using. These helicopters are all older than the pilots flying them. We have a V-22 program that is supposed to replace all the CH-46s, and it is not in place. We are not there yet. We want to get there, but we are not there. That comes into this whole equation of having to fund the overall defense system. They say you are as

strong as the weakest link in a chain. All of our links are equally weak and about to break.

Madam President, we found at Camp Lejeune in one particular helicopter squadron that only 4 of the 11 helicopters were operational. The rest were either down for maintenance or had been robbed of their parts to keep the last four working. This is something that cannot be continued.

I am very proud of General Bramlett. He is currently the FORSCOM commander. He is just about to retire. In his memo that came a couple of weeks ago—I am going to quote some things because I want them in the RECORD—he said:

We can no longer train and sustain the force, stop infrastructure degradation, and provide our soldiers with the quality of life programs critical to long term readiness of the force.

Commanders at Fort Lewis, Stewart and Bragg report units will drop below ALO—

That is, authorized level of organization—

in the fourth quarter of fiscal year 1999. This threatens our ability to mobilize, deploy, fight and win.

Further quoting General Bramlett:

Funding has fallen below the survival level in fiscal year 1999 . . . . Current funding levels place FORSCOM's ability to accomplish its mission in an unacceptable risk.

Unfunded requirements can only be realized with an increase in the overall funding level for the Department.

I chair the Readiness Subcommittee of the Senate Armed Services Committee. Last week, we had both General Bramlett and General Schwartz, who will be taking his place as commander of FORSCOM. They believe the memo he wrote is true today.

I know I have described a very ominous situation, Madam President. But the good news is that at yesterday's Armed Services Committee hearing, we had Chairman of the Joint Chiefs of Staff Shelton, along with the chief of the Army, General Reimer, General Krulak of the Marines, General Shelton, Admiral Johnson of the Navy, and General Ryan of the Air Force. I want to say publicly how proud I am of the courage that they exhibited yesterday. I do not remember a time when—and I have been here for 12 years and I have read about this situation for longer than that—I don't remember a time when the chiefs of the services had the courage to stand up and say to the President that our budget that you have been giving us for the last few years is inadequate to defend America. It displayed an incredible amount of courage. I am very, very proud of them.

They identified an immediate need for \$17 billion above the President's budget. They displayed a level of honesty that we should all appreciate and we seldom get.

I was very proud also—I happen to be a conservative Republican and have always been prodefense—but we had several Democrats on the committee yesterday. I was surprised and so gratified to hear them come out and join in.

Senator JOHN GLENN questioned the fact we may have gone too far in our drawdown in forces. I was very proud of Senator LIEBERMAN and his statement when he said, "We are asking more of our military post-cold war than during the cold war," and his comments regarding national ballistic missile defense, which I want to touch on very briefly in a minute.

Senator CLELAND, MAX CLELAND from Georgia, spoke out and he actually made this statement in the committee, that we are going to have to go back and listen to what Dr. Schlessinger said recently when he said that the problem is so severe that we are going to have to, in a massive way, rebuild our defense system and do it in a similar way that we did in the early 1980s. He said that it does not seem that with 3 percent of gross domestic product we would be able to sustain an adequate force; it is going to have to be 4 percent.

So what Senator CLELAND was saying is, we need an additional \$70 billion just to build our forces up to meet the minimum expectations of the American people. What is interesting about what Senator CLELAND said was that in addition to the fact that that equates to \$70 billion, if you take what each of the chiefs says is necessary over and above what we have allocated for fiscal year 1999, it comes to about \$70 billion.

Just for a minute, let's go back to Senator LIEBERMAN who made the comment about the national missile defense system. I have found that when I go around the country and ask people what their feeling is and what we would be able to do if, for example, a missile were fired from someplace in China or someplace from the other side of the world to Washington, DC, knowing that it would take 35 minutes to get over here, and it is carrying a weapon of mass destruction, either biological, chemical or nuclear, what we in the United States could do—because most people think we could shoot it down—fifty-four percent of the people in America think that if a missile were coming over, we would be able to shoot it down.

In fact we cannot shoot it down. We are naked. We have no defense, Madam President, against a missile coming in from another continent. And the reason is that it is outside the atmosphere. We do not have anything that will knock it down. By the time it re-enters the atmosphere, it is going at a velocity that we do not have anything to knock it down with.

We have been derelict in not pursuing the course we started on in 1983 to have a system deployed to defend ourselves against an ICBM coming into the United States by fiscal year 1998. That is what we are just winding up right now. Yet we have noted that we were on that course since 1983, until Bill Clinton was elected President of the United States in 1992, and then started vetoing the defense authorization bills and the defense appropriations bills,

until we took out funding that would have been there to finish the job to have deployed a national missile defense system by 1998. That is now. Someone was pretty smart back in 1983 to realize this is the time that we would have to have a system in place.

However, we now know that it is going to take another 3 years or so to do it. Several of us who have been promoting a national missile defense system have concluded that one of the reasons we have not been able to impress upon the people of America how dangerous of a situation we are in right now is that they have been confused by all the different types of national missile defense systems.

So we have all kind of gotten down to one, the one that would give us the best system, the cheapest in the shortest period of time just to take care of a limited attack by a warhead that would be coming over on a missile.

That would be the Aegis system, Madam President. We have \$50 billion invested in 22 ships right now. They have the potential missile defense capability to knock down long range missiles outside the atmosphere. To do this, to upgrade the system to be fully capable in the upper tier would cost approximately \$4 billion more and take about 3 more years. We want to get on that road so we can get a system here as soon as possible, but we do not have it yet. We do not have it in this defense authorization bill. And yet we have gone as far as we can go with the bill now.

I only regret that we did not have these committee hearings a month ago so that we could have done a better job preparing for the defense of America than we have done in the 1999 Strom Thurmond national defense authorization.

So with that, I just want to say that I do fully support the bill. I hope it comes up some time either Thursday or Friday and we can vote for it, support it, pass it, and then start rebuilding our defenses so that we can at least meet the minimum expectations of the American people and be honest with them and defend my seven grandchildren, my four children, and the rest of America.

Thank you. I yield the floor.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER (Mr. GORTON). The Senator from Minnesota.

Mr. GRAMS. Thank you very much.

I want to compliment the Senator from Oklahoma. I think yesterday's hearing was very, very important, and what the chiefs had to say regarding the defense of this country, and the money that is being spent or not being spent and how important it is. I really appreciate the Senator bringing this to the floor and helping all of us understand the problems that we are facing.

I rise today briefly to express my continued disappointment at the political maneuvering which has resulted in an extension—

The PRESIDING OFFICER. Cloture has been invoked on the motion to proceed to the Internet bill. Does the Senator desire unanimous consent to speak out of order?

Mr. GRAMS. Yes. Sorry. I ask unanimous consent that I be allowed to speak out of order.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### NORTHEAST DAIRY COMPACT EXTENSION

Mr. GRAMS. Mr. President, I rise today to express my continued disappointment at the political maneuvering which has resulted in an extension of the Northeast Dairy Compact—an example of legislation driven by regional politics.

I wish to register strong protest to the extension and ask that my colleagues join me and those in the Upper Midwest who must once again speak out against patently unfair, anti-American, anticompetitive policy.

This is an archaic Federal dairy policy that penalizes farmers in the Upper Midwest, while giving benefits to farmers in other parts of the country in the dairy industry.

The expected Agriculture appropriations conference report will include House language which underhandedly extends the Northeast Interstate Dairy Compact.

Under the 1996 Food and Agriculture Improvement and Reform Act, commonly known as the FAIR Act, federal milk marketing order reform would go into effect in April, 1999. However, the conference committee has now adopted the House Agriculture Appropriations Committee bill language which delays the implementation date for Federal milk marketing order reform until October, 1999—6 months later. Not only does this delay long overdue marketing reforms, it also extends the Northeast Dairy Compact, which is not set to expire until the Federal milk marketing orders go into effect.

Mr. President, USDA did not request a delay of the milk marketing order reforms. The real purpose of the House language is simply to extend the Northeast Dairy Compact.

That this extension is even being considered leads me to believe there are some who remain unaware of the notorious history of the Northeast Dairy Compact's creation and its negative impact on consumers and all dairy farmers—with the notable exception of the largest dairy industries within the compact region.

The 1996 FAIR Act included substantive reforms for dairy policy. It set the stage for greater market-orientation in dairy policy, including reform of the archaic Federal milk marketing orders. Yet, despite a strong vote by the Senate to strip the Northeast Interstate Dairy Compact from its version of the FAIR Act, and the deliberate exclusion of any Compact language from the House version of the

bill, a Northeast Interstate Dairy Compact provision was slipped into the conference report.

This language, however, does call for the compact to be terminated upon completion of the Federal milk marketing order reform process, again, set in April of 1999.

It is imperative that the Northeast Interstate Dairy Compact sunset as was intended, and that no new compacts are created. Dairy farmers have not seen positive benefits as a result of the compact and consumers have been hurt by higher prices.

It is estimated that consumers in the compact region of the Northeast have an increased annual cost of almost \$50 million due to the compact. Not surprisingly, milk consumption in the compact area has dropped as a result. The only real winners have been the largest industrial dairies of the Upper Northeast.

It is really no surprise. Just consider it: if the compact pays a premium per hundredweight of milk, and large industrial dairies are able to produce, let's say 15 to 20 times more than the "typical" traditional dairy farm that the compact was supposedly going to protect, who do you suppose wins? It certainly isn't the traditional dairy farm. They are still put at a competitive disadvantage, thanks to regional politics, and so are dairies outside the compact region.

The artificial price increase stimulates overproduction and it floods the rest of the market in other parts of the country, and in other markets as well, including milk for cheese. Basically, all the principles of market forces, including pricing based on supply and demand and producers effectively determining profit and loss through efficiency, have now been replaced by artificial pricing.

If any other industry tried to fix prices in this manner, I believe they would be hauled into court. Let me show this chart. The questions contained on the chart, which of these is actual Federal policy? Looking at the four questions:

All computers should be price-adjusted according to their distance from Seattle.

All oranges should be price-adjusted according to their distance from Florida.

All country music should be price-adjusted according to its distance from Nashville.

All milk should be price-adjusted according to its distance from Eau Claire.

All of these are foolish. But this is Federal policy. The last one, "All milk should be price-adjusted according to its distance from Eau Claire," WI, might have made sense back in the 1930s when it was instituted, because of transportation and refrigeration, in order to encourage dairy production in other parts of the country. The Midwest, really, is the heart of the dairy industry in this country. So they set up these laws, but these laws are now archaic, outdated. They no longer need to be on the books. All they do is penalize the farmers in the Midwest who

get the lowest prices for their milk and reward farmers further away from Madison or Eau Claire, WI, who receive more money for dairy products, despite the new and improved transportation and refrigeration in this country. This may have served a purpose in the 1930s, but it is outdated when we come into this century.

What it does is have the government picking winners and losers when it comes to dairy. They have their foot on the neck of dairy farmers in the Midwest while granting dairy farmers in other parts of the country more money.

All we are asking for is fairness in this policy. Should computers be priced according to their distance from Seattle? No. Should oranges be priced according to their distance from Florida? They are not. Is all country music priced according to its distance from Nashville? No, that is ridiculous. And the same should be true for dairy—Should all milk be priced according to its distance from Eau Claire? No.

USDA's own data show that milk production has increased substantially in the Compact region of the Northeast. In fact, the increase in production has been so great that the Compact Commission has started to withhold money from farmers, in anticipation of being required to reimburse the Commodity Credit Corporation for increased purchases of surplus dairy products.

But the creation of the Northeast Interstate Dairy Compact, we have done a disservice to traditional dairy farmers in the Compact region, consumers within the Compact region, and all dairy producers nation-wide who have been forced to pay the price of this anti-competitive measure.

The higher milk prices in the Compact region are cause for alarm, but these consequences were easily foreseeable. What is outrageous is the idea of another extension of this anti-competitive effort.

As far as I'm concerned, this is it—the last straw. There will be no more extensions. The Northeast Dairy Compact has had its day. It has failed. It is being kept alive for another six months by a life-support system of favors and big business.

I believe it's time to put fairness first and put the Senate on notice. The Upper Midwest has waited long enough for substantive reform—basic fairness. I will continue to make this point during the next Congress, no matter how long it takes to get the message across.

Special protection benefits and anti-competitive measures make competitors worried, and rightly so. The Northeast Interstate Dairy Compact has spurred a movement in the Southeast to create a similar Compact.

In fact, earlier this year the groundwork was laid for a national patchwork of regional compacts. Roughly half the country had either passed enabling compact legislation, was debating such legislation, or was a part of the Northeast Interstate Dairy Compact.